Labour's plan for old houses

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Labour's Plan for Old Houses

In Signposts for the Sixties, published in July 1961, we laid the foundations of our policies on the use and price of land and on housing. One of our proposals was that where houses are persistently neglected by private landlords, 'local authorities must use more freely their powers to take them over for repair and modernisation'. This general proposal has now been developed into a fully worked-out policy for improving the millions of substandard private rented houses. Our new scheme was outlined at last year's Annual Conference at Brighton and is put forward here in greater detail.

The Size of the Problem

Nearly half the houses inhabited today—about seven million—were built before the first world war. No less than $3\frac{1}{2}$ million were built before 1875 and two million before 1850. Nearly $5\frac{1}{2}$ million of these older houses are owned by private landlords and rented to tenants.

A recent survey (sponsored by the Rowntree Trust) showed that private rented houses account for two-thirds of all houses completely without hot water, baths or kitchens, and half of those without flush lavatories. Out of the five million English households in private rented property in 1958, 2.8 million had no bath of their own (63 per cent of the total), over 2.6 million had no hot water supply (53 per cent), and just over a million did not have an unshared flush toilet (25 per cent).

Corresponding figures for the whole of Britain will not be known until the full reports on the 1961 Census are published. But experts agree that some 15 million men, women and children are living in four to five million households without baths and hot water systems.

Slow Progress

These millions of ill-equipped and dilapidated houses are being repaired or replaced far too slowly.

Defining a Slum

963,000 houses in England, Wales and Scotland were identified as slums in official estimates published in 1955. This total was plainly unrealistic for two reasons. Firstly, because the standard used by local authorities when deciding whether houses are 'unfit for human habitation' is far too low. According to the Public Health Inspectors it 'has certainly not been raised but, if anything, is now worse than the standard first suggested in 1919 . . . Houses without proper heating arrangements, artificial lighting, fuel stores, bathrooms or hot water are still regarded as fit for occupation'.*

Secondly, because the existing statutory definition of 'unfitness for human habitation' is vague and imprecise. In practice local authorities applied standards much of their own choosing in their 1955 survey. So the government's slum clearance programme is based on figures that showed Welwyn Garden City to have the same proportion of unfit houses as Stoke Newington, Cheltenham with the same proportion as Swindon, Carshalton with the same as St. Pancras, and Tonbridge with more slums than Rhondda. A house classed as a slum in one area can pass as fit in another.

Slum Clearance

The official total number of unfit houses therefore represents only a fraction of all the houses that are really slums if judged by a realistic modern standard. But even set against the official target, the rate of slum clearance achieved since the programme started in 1955 is quite inadequate. The fifty local authorities with half the slums identified in 1955 had cleared less than a quarter of them by the middle of 1962. At the rate of clearance achieved so far it would be nearly 2000 A.D. before Birmingham, Hull, Man-

^{*}Progress in Housing, The Association of the Public Health Inspectors, 1961.

chester and Oldham have got rid of all the houses designated as slums in 1955. In Liverpool it would take about forty years longer still.

The White Paper which preceded the present slum clearance programme declared that it was a 'national duty' to see that 'slum houses that would have to be lived in for many years to come are made more tolerable to live in so long as they have to be used'. But only Birmingham has seriously attempted to do this. The local authorities in England and Wales undertook to do temporary repairs to only one per cent of the 850,000 slums discovered in 1955.

Improvements by Private Landlords

Relatively few of the older houses are being replaced. Even fewer being brought up to date. Out of the four to five million private tenanted houses which need modernising only 25,000 a year are being improved or converted by private landlords with the help of improvement grants from local councils. Although improvement grants have been available for thirteen years no more than 120,000 private rented houses have been provided with modern amenities. At the present rate of improvement, private landlords will take over a century to provide all their houses with baths if the job is left to them.

Improvements by Local Authorities

But even the government now accepts the necessity for compulsion to accelerate the improvement of private rented houses. A recent Ministry of Housing circular (Improvement of Houses, No. 42/62), told local authorities to improve whole streets or areas of older property rather than individual houses as and when grant is applied for. They were warned, however, that they would find some landlords 'are unwilling to improve their houses; although the houses are perfectly capable of being improved at reasonable cost'. If these landlords refuse to sell their houses to the authorities so that they can do the improvement, the circular promises that the Minister will 'consider the use of compulsory powers—especially if the houses are in the streets or areas where other owners are carrying through improvements'.

Leeds City Council pioneered the scheme suggested in this circular. The council selects areas and writes to each landlord inviting him to convert or improve his property with the assistance of grants or loans, or sell it to the council to enable them to do the work. Those who refuse are served with compulsory purchase orders. The council takes over the houses and does the job itself.

This scheme is certainly a step forward; but even in Leeds progress with improvement work is still too slow. Many landlords, having agreed to improve their houses, later fail to do so. So further compulsory purchase orders have to be sought for particular houses. It can take three years to complete the whole procedure. Builders have to return to deal with individual houses when all the others in the area have been improved. Moreover, this scheme leaves untouched all tenanted houses not worth bringing up to the improvement grant standard yet not to be demolished for a long time.

Summing Up

Some 7,000,000 houses built before the first world war are still inhabited. Most of them are owned by private landlords and lack such fundamental amenities as fixed baths and hot water systems. But only 750,000 are officially scheduled for replacement as slums. Landlords are improving fewer than 25,000 a year with help of grants. Plainly, more houses than the 750,000 known slums are not worth preserving and should be replaced. On the other hand, many of the pre-1914 houses *must* be preserved and improved. If they are not, the result will be millions more families living in slums.

Labour's Plan for Action

The record of private landlords in applying for improvement grants shows that it is a waste of time to wait for them to modernise the houses occupied by their tenants. Most landlords are unable or unwilling even to maintain their houses in reasonable repair, let alone improve them. The local authorities will

have to take the initiative by purchasing, compulsorily if need be, all rented houses requiring improvement which landlords refuse to modernise with the help of grants.

The local councils already have very wide powers to acquire houses, either by agreement or compulsorily. They were used last year, for example, by Bethnal Green borough council to purchase compulsorily twenty blocks of tenement flats for which the landlords were demanding exorbitant rents. Leeds City council are compulsorily purchasing houses which landlords refuse to repair and modernise. The necessary legal powers already exist; we intend to see that they are used to bring private rented houses up to a decent modern standard.

First, however, there must be a reliable survey, more accurate than the one in 1955, to establish just how many houses are worth preserving and how many are not. The repair and modernisation of those worth preserving will then be greatly accelerated; and a more urgent and determined effort made to replace the rest. Our aim is to provide either a new or modernised home for every family.

A New Minimum Standard

A new standard for determining whether houses are 'unfit for human habitation' is needed. As we have already seen, the standard now used is much too low and each local authority interprets it differently. We will introduce a new minimum standard of fitness for all old houses based on the Twelve-Point Standard already applied to houses modernised or converted with the aid of discretionary improvement grants. (This is set out in the Appendix on page 14.) This will include the provision of a fixed bath, hot water and an inside toilet. It would not be practicable, however, to insist that every old house must satisfy all the requirements of the new standard. There will be cases, for example, where the tenant objects to turning a bedroom which cannot be spared into a bathroom. Sometimes a bathroom could be built over a back scullery. But where, because of lack of space, it would be unreasonable for a local authority to enforce this provision, it would be possible for this requirement to be waived.

This is what happens now under the Improvement Grant regulations. In deciding whether or not to make a discretionary improvement grant it is open to local authorities to seek the Minister's consent to waive one of the requirements of the Twelve Point Standard which seems, in the particular circumstances, impracticable.

A Survey of Housing Conditions

When our new standard is in operation and at five-yearly intervals—or more often if need be—local authorities will survey housing conditions to ascertain:

- (a) How many tenanted houses fall below the new standard.
- (b) How many of these can be brought up to standard at reasonable expense. In practice this would be the number eligible for discretionary improvement grants because they have at least another 15 years useful life and can be improved to the new standard of fitness.
- (c) How many of the unfit houses which cannot be made fit at reasonable expense the local authorities definitely intend to clear in the first five years. These would be the hard core of the very worst slums.

When this information is known accurately, locally and by the Minister of Housing, action will be taken to deal with two groups of sub-standard houses: (i) those which can be made fit at reasonable expense and are eligible for improvement grants, and (ii) those which cannot be improved up to the new standard at reasonable cost.

The Houses Worth Full-Scale Improvement

Local authorities will be required to submit programmes to the Minister of Housing for the systematic improvement of all tenanted houses capable of being brought up to the new standard at reasonable cost. The Minister will keep these improvement work programmes under constant review and revise them if he considers they are inadequate for dealing with the housing problems confronting particular local authorities. The actual improvement work will be tackled in the following way. First, areas of rented houses below the new minimum standard will be designated as 'Improvement Areas'. The landlords will be told that the local council's policy is to improve all the houses in each area. They will be invited either to improve or convert their houses with the aid of grants or to sell them to the local authority so that the council can do the work. Landlords who, without good reason, decline to improve their property or to sell it to the council will have it compulsorily acquired.

Immediately a local council buys a house from a landlord under these arrangements they will be required to offer it for sale to the tenant at the take-over price. Such sales will be subject to certain conditions, in particular that the new owner shall modernise and improve the house up to the new standard. He will, of course, be able to apply to the local authority for an improvement grant to help him do this. If the tenant does not wish to buy, the house will be fully improved by the local council.

All the rented houses in an improvement area which are capable of conversion or improvement will, unless sold voluntarily to the local authority, be included in a single compulsory purchase order — as is done at present in clearance and redevelopment areas. The local council would not proceed with the purchase of those houses which landlords undertake to improve—unless the undertaking is not carried out. This will obviate further time-wasting compulsory purchase orders on individual houses which landlords fail to improve as promised. The existing procedure for obtaining compulsory purchase orders is extremely slow. Whilst fully safeguarding the rights of people affected by compulsory purchase, we shall review the present compulsory purchase procedure in order to cut out all unnecessary delay.

When the above proposals are completed, local authorities will have designated and submitted to the Minister Improvement Area Schemes for dealing with the great majority of unfit houses capable of being improved up to the new standard of fitness. Each local authority will have a planned programme of improvement work ahead of it, so that it can advance through its town raising housing standards area by area.

Owner-occupiers

Compulsory purchase powers will not be used to secure the improvement of owner-occupied houses. Nearly all the substandard houses are owned by private landlords. Only a small minority of owner-occupied houses would have difficulty in passing the new standard. Their owners would no doubt co-operate wholeheartedly in Improvement Area Schemes — especially as every local authority will be prepared to give both improvement grants and technical assistance. (Already 70 per cent of improvement grants to private owners go to owner-occupiers.) However, some of them, particularly the elderly ones, may find it difficult to raise their share of the capital cost of improvement. They will be helped by the local authorities, who will offer to lend it to them at low rates of interest, with easy repayment spread over a lengthy period.

The Houses not Justifying Full-Scale Improvement

The remaining group of sub-standard houses is those which are in such a bad state of repair and so old that it would be a waste of money and scarce manpower to make them fit enough to pass the new standard. Most of them have not more than 15 to 20 years of useful life ahead of them and therefore fail to qualify for improvement grants. A large number of the 3.3 million houses over 85 years old, and most of the two million over 110 years old, will be in this category. As they are unfit and cannot be rendered fit at reasonable cost, they must be scheduled for clearance.

But even if the worst pre-1875 houses are cleared at the rate of 150,000 a year—twice the present rate of slum clearance—it would still take 15 to 20 years to get rid of them all. People must not be expected to go on living for decades in houses which have been defined as unfit for human habitation. Some work will have to be done on these houses to make them more comfortable homes.

Even now all houses incapable of being made fit at reasonable cost are eventually acquired and cleared by local authorities. But the process of acquiring these slums must start at once. The local authorities will then be required to bring all those they do not

intend to clear or close within five years up to a standard that is adequate for the time being. This will allow a local authority to spend more money on a house which is to be lived in for fifteen years than on one with only seven years more life. Local authorities will be required to submit proposals to the Minister of Housing for carrying out temporary repairs to all slums not to be demolished in the first five years.

The Problem of Resources

These proposals will make heavy demands on our building resources — particularly on building manpower. Already the pressure on the building and contracting industries is delaying some local authorities' housing programmes. But this is because too much of the nation's building capacity is engaged on private speculative developments. We shall control the timing of major private building projects in order to release building resources in areas where local councils are unable to tackle acute housing problems through shortages of labour and materials.

But even with a more just and sensible allocation of building resources it will still be impossible to repair and modernise millions of old houses simultaneously. It will be the Housing Minister's job to see that this work is realistically planned. The programmes of improvement work agreed between him and the local authorities will have to be phased to take account of the regional capacity of the building industry to carry them out. The whole operation must be so planned that old houses can be improved as soon as they are acquired by the local authorities.

Most of the houses in the northern industrial cities need repair and modernisation; many are outright slums. The very scale of the problem requires that these cities should be given priority, as Special Housing Areas, in the allocation of building resources.

Regional public agencies modelled on the New Town development corporations will be set up for the Special Housing Areas. These regional development corporations will be able to employ private building firms on contract and create their own direct labour force. Their resources will be available to supplement those of the local authorities who find the work of urban renewal and rehabilitation beyond their capacity.

The work of putting baths and hot water systems, etc., into old houses is usually done either by the local authorities themselves, employing direct labour, or by private building firms mostly too small to engage in house building. There are thousands of these small firms in the building industry. They will be encouraged to form larger and more efficient groups directly employed by the local authorities by the offer of guaranteed long-term programmes of house-improvement work.

Summary

Our plan has three aims:

To improve all the houses that are capable of being improved up to a much higher minimum standard of fitness.

To clear as rapidly as possible all the houses which are not capable of improvement up to this new standard at reasonable cost.

To improve up to a standard adequate for the time being all the houses which it is impossible to clear in the first five years.

The summary of our proposals to achieve these three aims is:

- (1) The present standard of fitness for houses will be raised to one based on the Twelve Point Standard now applicable to houses modernised with the aid of discretionary improvement grants.
- (2) When this standard is in operation there will be a fresh survey of housing conditions. All houses found to be below the new minimum standard will be classed as unfit for habitation.
- (3) Local authorities will estimate in their returns to the Minister of Housing how many of these unfit houses are capable of being improved up to the fitness standard with

the aid of improvement grants, and would justify such improvement.

- (4) The houses capable of being rendered fit will be dealt with through the procedure of Improvement Area Schemes. Local authorities will be required to designate Improvement Areas to cover as many as possible of these houses. The landlords in these areas will be invited to bring their houses up to standard with the help of improvement grants, or to sell them to the local authority so that the council could do the work. Where a landlord declines both alternatives, the local authority will compulsorily acquire the house.
- (5) This will then be offered for sale to the tenant at the takeover price on the condition that he will bring it up to standard. If the tenant does not wish to buy, the house will be fully improved by the local authority.
- (6) The local authorities will also estimate in their returns to the Minister the number of unfit houses not capable of being made fit. They will then be required to declare clearance areas and submit Compulsory Purchase Orders for all these houses. They will be obliged temporarily to repair all those that are not to be cleared or closed in the first five years.

The problem of resources will be handled by:

- (a) Controlling the timing of major private building projects and thus freeing scarce building capacity for more essential work.
- (b) Planning the programmes of improvement work to take account of the regional capacity of the building industry to execute them.
- (c) Designating the large industrial cities, where housing conditions are worse, as Special Housing Areas and giving them priority in the allocation of resources.
- (d) Setting up regional development corporations for the Special Housing Areas to supplement the local authorities' building resources.

(e) Encouraging the very numerous small building firms to form large, efficient groups by the offer of long-term contracts of house-improvement work.

Appendix

The Twelve Point Standard is as follows. Each separate dwelling when improved or converted with the assistance of a discretionary improvement grant must:

- (i) be in a good state of repair and substantially free from damp;
- (ii) have each room properly lighted and ventilated;
- (iii) have an adequate supply of wholesome water laid on inside the dwelling;
- (iv) be provided with efficient and adequate means of supplying hot water for domestic purposes;
- (v) have an internal water closet if practicable; otherwise a readily accessible outside water closet;
- (vi) have a fixed bath or shower in a bathroom;
- (vii) be provided with a sink or sinks and with suitable arrangements for the disposal of waste water;
- (viii) have a proper drainage system;
 - (ix) be provided in each room with adequate points for gas or electric lighting (where reasonably available);
 - (x) be provided with adequate facilities for heating;
 - (xi) have satisfactory facilities for storing, preparing and cooking food;
- (xii) have proper provision for the storage of fuel (where required).

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